

PO Tool 3 - PO Accounting Entries Page

V.1.5. 02/28/2013

Use the PO Accounting Entries page to view:

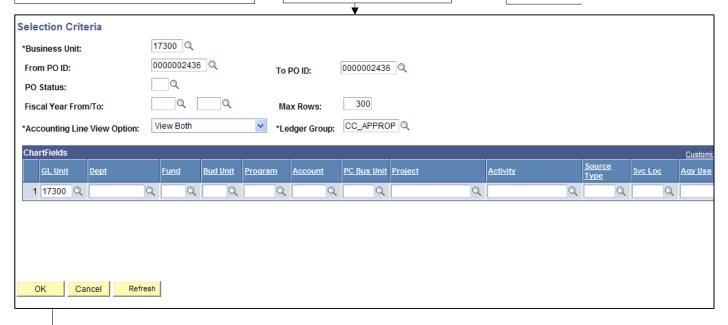
PO (encumbrance) amounts versus Voucher (encumbrance reversal) amounts

START:

Navigate to the Activity Summary page: Purchasing > Purchase Orders > Review PO Information > PO Accounting Entries Enter the desired search criteria into the Selection Criteria page (see screenshot below for example) and click the OK button:



Note: Use the *Ledger Group of 'CC_APPROP' - this pulls information from your agency's appropriated budget which is stored in the Commitment Control module in SMART



The PO Acctg Ln Lookup page opens. There are two tabs on this page. The Details tab and the ChartFields tab:

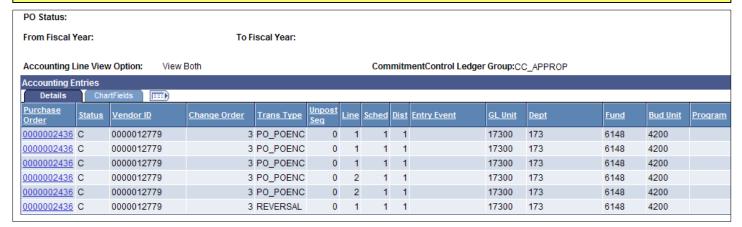


Note: Use your bottom (horizontal) scrollbar to roll to the right to view ALL fields on each of the tab pages.



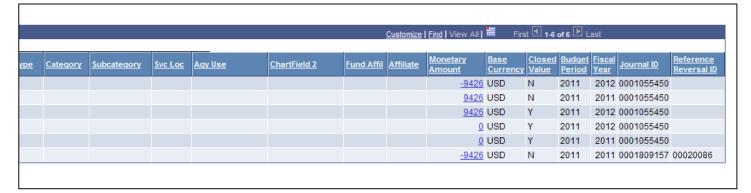
Notice that the PO Accounting Entries page tracks encumbrances and reversals at a <u>Distribution Line level</u>.

This screenshot shows the left side of the Details tab page:



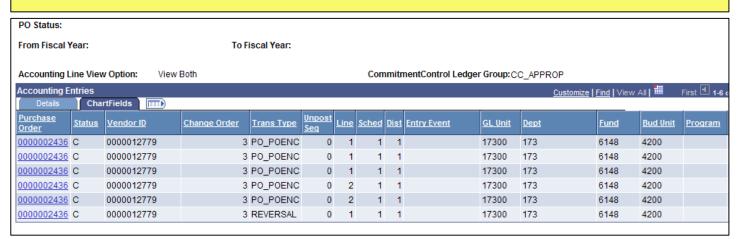
(Right side of the Details tab page is on Page 2 of this document)

This screenshot shows the right side of the **Details tab** page:



- > The **Journal ID** number is the Budget Journal ID number [sourced from the Commitment Control (Budget) module]
- The Reference Reversal ID number is the Voucher ID number for that Reversal [sourced from Accounts Payable > Vouchers]

This screenshot shows the left side of the ChartFields tab page:



This screenshot shows the right side of the ChartFields tab page:



- When a Voucher Line is created against a PO Line the PO encumbrance is liquidated (released).

 Note: Only the amount encumbered by a PO Distribution Line will be released when the PO Distribution Line is pulled into a voucher that shares the <u>SAME</u> 'Fund' and 'Budget Unit' ChartField combination.
- When you create a Voucher line against a PO Line, SMART locks down the distribution (Chartfields / Funding information) so that it can <u>NOT</u> be changed on the PO.

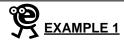
(Refer to Page 3 of this document for examples)



Foundation Information - PO Encumbrances

A PO encumbrance consists of several factors: The dollar amount, the 'Fund' ChartField value, and the 'Budget Unit' ChartField value. All these factors must be taken in to consideration when working with encumbrances (PO's) and encumbrance releases (Vouchers = Reversals) in SMART.

Only the <u>encumbered amount</u> on the PO Distribution Line will be released when the PO Distribution Line is pulled in to a Voucher Line that shares the <u>SAME</u> 'Fund' and 'Budget Unit' combination.



Purchase Order - PO Line 1:

PO Line 1 Amount: \$100.00 (Encumbrance). PO has 2 Distribution lines:

Distribution Line 1 = \$25.00: Fund 6148 / Budget Unit 4200 Distribution Line 2 = \$75.00: Fund 1000 / Budget Unit 3210

Voucher - Line 1 = \$100.00

Voucher Processor pulls PO Line 1 into Voucher Line 1:

Voucher Distribution Line 1 Amount = \$25.00: Fund 6148 / Budget Unit 4200 (Reversal)

Voucher Distribution Line 2 Amount = \$75.00: Voucher Processor manually edits to: Fund 1200 / Budget Unit 1430

Result:

Purchase Order Line 1, Distribution Line 1 = \$25.00 Release of monies: Fund 6148 / Budget Unit 4200 The PO Accounting Entries page shows a Reversal amount of \$25.00 from Voucher Line 1, Distribution Line 1

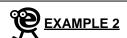
Purchase Order Line 1, Distribution Line 2 = \$0.00 Release of monies for Fund 1000 / Budget Unit 3210. Therefore the reversal amount from Voucher Line 1, Distribution Line 2 = \$0.00 (because the Voucher Processor changed the funding information for the Fund / Budget Unit when creating Voucher Line 1, Distribution Line 2)

The PO Accounting Entries page shows:

PO Line 1, Distribution Line 1 = PO_POENC = <u>25.00</u> for Fund 6148 / Budget Unit 4200 Voucher Line 1, Distribution Line 1 = REVERSAL = -25.00 for Fund 6148 / Budget Unit 4200

PO Line 1, Distribution Line 2 = PO_ENC = <u>75.00</u> for Fund 1000 / Budget Unit 3210 Voucher Line 1, Distribution Line 2 = REVERSAL = <u>0</u> for Fund 1200 / Budget Unit 1430

Budget Activity of \$75.00 occurred against unencumbered monies for Fund 1200 / Budget Unit 1430. Budget Activity against unencumbered monies does <u>NOT</u> show on the PO Accounting Entries page. To view budget activity against unencumbered monies, use the Budget Details Overview page in the Commitment Control module.



Purchase Order - PO Line 1:

PO Line Amount: \$100.00

Fund: 6148 Budget Unit: 4200

Invoice from Vendor:

Invoice Amount: \$120.00

- The Voucher is created and is associated with PO Line 1. The Voucher Processor manually increases the Voucher dollar amount on the Voucher Line from the encumbrance amount of \$100.00 to \$120.00 (to equal the vendor invoice dollar amount).
- The Voucher does NOT experience a 'Budget Exception' <u>as long as</u> there are available funds (additional unencumbered funds for the extra \$20.00) available in the agency's budget for the Chartfield combination of 'Fund' 6148 and 'Budget Unit' 4200
- The PO Accounting Entries page displays only a \$100.00 Reversal because the PO Line encumbered only \$100.00
- ➤ SMART draws the additional \$20.00 funding from unencumbered monies in the agency's budget (using the unencumbered funds allocated to the Chartfield combination of 'Fund' 6148 and 'Budget Unit' 4200)